G. R. S. IX-5]

Previous references.

1895-96

191

(Banking)

Later references.

File No. 9 of 1895-96

Serial Nos. 1—10.

GENERAL AND REVENUE SECRETARIAT.

Indexed 1917

Serial Nos. 1—10.

Part B for

SUBJECT.

Forms of Accounts of the Agricultural Banks.

W D 88—GPB—50,000—24-7-16

Note for orders

5

Memo

Comptroller's letter No 1546 dt 23-2-98

(1)

vide Rs 28 dt 14.7.97

(2)

and 122 of 23.10.97

The Inspector, Agricultural Banks in Mysore, stated that there was no system observed in the accounts maintained in the Agricultural Banks established, and that in some instances even the Cash Book did not contain the required information. He therefore thought it desirable as per para 7 of the articles of application to prescribe certain forms as herein stated & begged that 100 Copies of each of them might be got printed & supplied to him for necessary distribution

Calamities

(3)

Vide Rs 4176 dt 11.11.97

JE 416

ii In forwarding these forms, the Comptroller was requested to give his opinion as regards their suitability

In reply, the Comptroller states that, after a careful perusal of the memorandum & articles of association, he is of opinion that the forms framed by the Inspector are defective & that a few of them require to be modified. He therefore submits a statement ~~framed to this~~ effect showing the proposals of the Inspector and the modification he considers necessary together with reasons for such c modification -

Directors
Submitted for orders.

If approved, the Comptroller's letter with its enclosure may be forwarded to the Inspector Agricultural Banks for any further representation he may wish to make on the subject.

Ans No 5975 of 1546
23.2.98

Ye d
25/3/98

Read 21/3/98 - Memo
" 22/3/98 Explanation
" 24/3/98 Order passed

Mark
26/3

Lwon. to work draft
26/3

Comptrs No 5546
dt 23.2.98

Submitted

Respectfully submits that this was submitted during the time in which I was engaged in collecting the general orders relating to the formation and working of Agricultural Banks in Ingore, as per my explanation submitted today in connection with the office note, hereto attached

AG
21.3.98

Please state below the dates on which you were engaged in the Collection of the Govt orders referred to above -

M 22/3/98

Submitted.
one Set of orders referred

was submitted alongwith
the draft to Mr Graham of
Canada and it was
despatched on the 25th
February 1898. To Collect
6 sets more accepted
me some days more.

24.3.98

This is not clear
some time what
date to what date
the orders were
collected & not
mentioned

24/3/98

Gen. 30.]

(3)

From

E. R. SUBROYER, Esq.,
Comptroller to Mysore Govt.

To

The Chief Secretary to the
Dewan of Mysore.

Dated 15
Despatched 16 July
Received

Enclosures No. 4

General No. 392
No.

In reply to

SUBJECT.

Submits reports of Messrs Benson on the audit of Accounts of the Public & Kantulli Agricultural Banks.

References—(to be entered only in the Dewan's Office).

Re quested that
the enclosures may
be returned to me
26-7-95

submitted for orders
27/11/95

27/11/95

10-12-95

Forwarded copy
to the Inspector for
perusal and submission
with remarks as
regards enclosures
the Comptroller may
like and return
the same to
10/12/95

No. 392 with 4 encls.

OFFICE OF THE COMPTROLLER, MYSORE,
Bangalore, 26 July 1895

From

E. R. SUBROYER, ESQ., B.A., B.C.E.,
Comptroller to Mysore Government.

To Revenue Government
The ~~Chief~~ Secretary to the ~~Dewan~~ of Mysore.

SIR,

As directed in para 4 of Govern-
ment Proceedings No. 39. Dd. Office
dated 29 November 1894 I have
the honor to submit herewith
my Review reports on the audit
of the accounts of Palahully
and Kyatanhully Agricultural
Banks

I have the honor to be
Sir
Your most obedient servt

E R Subroyen
Comptroller
Mysore

3A.

Bangalore
16th July 1895

From

The Chief assistant
to the Comptroller in Mysore

The Comptroller
Mysore Government
Bangalore.

Sir,

I have the honor to submit my report on the audit of the accounts of the Agricultural Bank at Gallihali for the half year ending 30th June 95.

No register of members in which the following particulars, names, addresses and occupation if any of the members of the Bank has been maintained as required by rule 24 of Act X of 1866.

Forwarded for my new Mysore C.

The books maintained by the Bank are:- a cash book, a ledger, a receipt book to obtain the signature of the parties to whom the loans were made; An order book in which the object of the loans applied for are entered and circulated with applications to the directors for according their approval or otherwise, and a minute book containing the proceedings of the directors.

The Cash book showed a balance of Rs 4 and odd at the close of the 7th instant but was not examined by me as the amount was so small.

The total amount of loans issued during the period under review amounted to Rs 14,934-- classed under the following heads

I On mortgage of immovable property ..... Rs 13,350--

II On joint promissory notes ..... Rs 350--

III On joint and individual signature for periods extending to 12 & 15 months without security Rs 1234--

The bonds entered in favor of the Bank on account of the above said loans were duly examined and found correct, and the purpose for which the loans were raised were duly mentioned therein. The last mentioned loan is not provided for in the rules and apparently has been granted under misconception of rule No 12.

Deposits to the extent of Rs 1400/- were received from Messrs Sahukar Papannah & Shanbhog Venkatkrishnappah and were repaid to them with interest at the rate of 4% for the period it was so held, as no period was fixed for holding deposits.

A Balance-Sheet for the half year ending 30th June 95 containing a summary of the assets and the liabilities of the Bank arranged under the heads prescribed under the Schedule of the Indian Companies Act X of 1866 is enclosed.

From the above it will be observed that the transactions of the Bank for the period under review resulted in a loss of Rs 0-15-1, this result is nominal, for if the directors had collected the entrance fee of annas 4 prescribed in rule No 4 and had also not defrayed the registration fees for registering the bonds on mortgage of immovable property, the working of the Bank would have resulted in a profit of ~~Rs~~ 38-8-11 as shewn below

Entrance fee @ annas 4 per member for 67	~~Rs~~ 16-12-0
Registration fee	~~Rs~~ 22-12-0
	39-8-0
Deduct Loss	0-15-1
Nett profits	38-8-11

The following irregularities were observed by me during the course of my audit.

No title deeds have been obtained for loans made on the mortgage of immovable property

The establishment and other charges were not defrayed at the close of each month as required by rule 21.

The bonds executed for loans granted on immovable property have not all been registered. Reason assigned for this by the Treasurer Shanbhog Venkatkrishnappah, as also for the payment of the registration fees by the Bank for such of the

bonds that have been registered, was that the Deputy Commissioner of Mysore had verbally instructed him that he could use his discretion in registering the bonds, and to pay the fees as an inducement to ryots to come forward to obtain loans.

No Balance-sheet was prepared but a copy of the one prepared byme was given to the Treasurer with instructions to convene a general meeting and place the same before members for approval and adoption in accordance with rule 30

would suggest the alteration of rule 9 which lays down that the full amount of interest should be recovered at the time the loan is repaid; as this would virtually tend to the payment of the establishment and other charges being met from Capital. The only source of income to the bank being the interest, it should in the cases of loans No 2 be recovered at the time the loan is made, and in the others, either monthly or at the close of each quarter. The directors when they found themselves unable to meet the charges resorted to the measure of collecting the interest due on loans ~~made~~ upto 30th June 95 in the months of June & July 95 and then defrayed 5 months charges of establishment and rent amounting to Rs 105/- in the month of July 95.

The accounts maintained by the Bank referred to in rule 18 have not as yet been drawn up and furnished to them. I would suggest the maintenance of the following books.

(i) A cash book in which the daily transactions are to be entered.

(ii) A day book in which an abstract of the transactions of each day are to be recorded.

(iii) a ledger for each description of loan.

(iv) a ledger for deposits

(v) A general ledger to contain an abstract of all the Bank transactions to be written up from the Day book.

As also that forms of bonds for the execution of the 4 different kinds of loans be furnished, so that there may be an uniformity in the drawing up of the bonds in the Banks now existing as also that to be established in future.

Rule 12 which apparently refers to loan No II states that

loans not exceeding Rs 1000/- may be granted on reliable security. The question arises as to whether the reliable security referred to is to be of the nature of tangible or personal security in addition to the joint signatures of the parties who execute the bond.

The directors of the Bank hold that the canarese rule No 14 permits renewal after period of 15 months while the inglish rule distinctly states that "The period allowed for repayment of any loan shall in no case exceed 15 months including renewals". The reading of this rule requires to be explained.

Rule 23 states that all sums exceeding the cash balance should be returned to Government but the minimum amount of cash to be maintained has not been fixed.

Membership has been restricted to the residents of Pallihali.

I have the honor, to be,
Sir.
Your most obedient servant

P. Rama
Chief Assistant to Comptroller

Balance-Sheet of the Pallhalli Agricultural Bank

	Liabilities	Amount
Debts due by the Bank	To loan due to mysore Government	15,000
	Interest	300
	Suspense a/c (Establishment & rent)	105
	Rs	15,405

Profit and

To Establishment charges	135	5	4
Rent	6	12	3
Registration fees	22	12	.
Contingencies	15	2	9
Interest paid to mysore Government	338	14	5
Interest paid to Depositors	9	-	.
Rs	527	14	9

Bangalore
15th July 1895

for the half year ending 30th June 1895

Cr

	Assets	Amount
Plant & immovable property	By Furniture	10
Debts due to the Bank	Loans on mortgage of immovable property	13,350
	on joint promissory notes	350
	on joint & individual signature	1,234
	Interest unrealised	235
Cash & Investments	Cash in the hands of the Agent	218 8
	Preliminary expenses	6 8
		15,404
	By Loss	15
		15405

Profit & Loss account

Cr

By Interest	526	15 8
Loss		151
	527	149

A. Baum
Chief assistant to Comptroller

cultural Bank for the half year ending 30th June 1895.

6½

	Assets	Amount		
plant and immovable property	By Furniture	5		
Debts due to the Bank	Loan on mortgage of immovable property	8000		
	on joint promissory notes	825		
	on instalment bonds	54		
Cash & investments	Cash in the hands of the agent	198	5	2
	preliminary expenses	6	8	
		9088	13	2

Loss account

6½

By entrance fee from members	4	12	
interest realised	251	13	6
	256	9	6

A. Parsons
Chief assistant to Comptroller

Balance Sheet of the Kaithanahalli Agr

Dr.

	Liabilities	Amount
Debts due by the Bank	To Loan to Mysore Government	8500 . .
	Interest	114 5 6
	Interest realized in advance (Suspense)	381 2 2
		8995 7 8
	Profits	93 5 6
		9088 13 2

Profit an

Cr.

	To Establishment charges	31 8
	Rent	5 4
	Contingencies	12 2 6
	Interest paid to Mysore Government	114 5 6
		163 4 .
	Profits	93 5 6
		256 9 6

Bangalore
15th July 1895

Draft as per orde

(4)

Read:—

Letter No 392 dated 15th July 1895 from the Comptroller to the Government of Mysore Submitting the reports of Mr. Barrow on the audit of the accounts of the Palhalli & Kyathanahalli Agricultural Banks in the Seringapatna Taluk

Ord 4

Order thereon: No. 5-675-76 Fl: 328 19/12/95

Ordered that copies of the reports received with the foregoing letter together with their enclosures be forwarded to the Commissioner of the Mysore District for issue of necessary instructions as regards omissions duly pointed out by the auditor

19-12-95

Rev Secy

17/12/95

To the Commr Mysore Dte Comptroller.

REVENUE DEPARTMENT
1894 567
24 JUL 98
DEWAN'S OFFICE

From

The Comptroller, Mysore Govt.

(5)

To

The Secretary to the Govt. of Mysore
Genl & Rev Depts

Dated 21

Despatched 22 July

Received

~~*L. F.*~~ *No.* 542
No.

SUBJECT MATTER.

Requesting to pass orders on his recommendation for an outside Audit Staff of accountants made in his Memorandum dy 5 September 1893

& Rev Refs. 22/7/96

OFFICE OF THE COMPTROLLER, MYSORE GOVT.

~~L. F.~~ No. 542

Bangalore, 21st July 1896

From

E. R. SUBRAYER, Esq.,

Comptroller, Mysore Govt.

To

The Secretary to the Govt. of Mysore,

General and Revenue Depts.

Sir,

I have the honor to bring to notice that under Government orders No. 392 D. & C. (A) dated 29th November 1894 No. 2385-6 / R 3399 (A) dated 15th June 1895 the accounts of the Agricultural Banks established in Mysore has to be audited half yearly and I have been directed to arrange for such audit. The accounts of the two Banks in the Seringapatam Taluq were audited by my Chief Assistant last year and his reports submitted to Government

I

(A) Vide page 180 of the Monthly Volume published.

(A) Spare copies published.

I find I am unable this year to deposit any account of my affairs to the usual department Bank each year to use Banks time interest to 9 (nine) cent are ordered by act that from and after this, I report that my business will be conducted, notice is given interested to take such steps as their legal counsel may advise in the collection of the amount Bank accounts. Attorney to do these on my account and if on order each will of accounts have in my name as 5 Sept 1893.

J. Fiske

1. Kellamazoo Valley Savings Bank
2. Kalamazoo, Michigan Kalamazoo Village Bank
3. do
4. Kalamazoo Savings Bank
5. Citizens Kalamazoo Savings Bank
6. do
7. Kalamazoo Savings Bank

9 Savings Bank

Old Kalamazoo Village Bank

do

do

do

Kalamazoo

I have the honor to be

Sir

Your most obedient Servant

Wm Eagle

For Comptroller

Wayne Gorst

Draft as per orders

Read:—

(b)

Letter No 542 dated 21st July 1896 from the Comptroller to the Govt of Mysore representing the inconvenience arising from the deputation of his office accountants for the audit of the accounts of Agricultural Banks as required in the Govt orders Nos 39 D.H.O & 29th Novr 1894 and 2381 5-6 R.3399 & 15th June 1895, and requesting early orders regarding the appointment of ~~Separate accountants for outside~~ an outside audit Staff.

L4

No 3084 R.F.87-92 & 19.9.96. 21

Order thereon:—

Government observe that it is of the ~~biggest~~ greatest importance that the

accounts of Agricultural
Banks ~~ocs~~ should as usual
be audited at prescribed
intervals through the
agency of the Comptroller's
office ~~Bank~~ though under the
circumstances represented
by the Comptroller, he
is unable to depute any
of his Accountants for the
purpose. ~~Auditing~~ the auditing work
cannot be set aside or neglected
~~must however be done~~
Pending therefore final orders on
the question of "outside
audit the Comptroller is requested to
~~may~~ Send out
competent men from his
permanent establishment
and replace them for
ordinary work in his office
by

~~appointing~~
by temporary hands
whose employment must
~~be subject~~ of
course, be ~~to the~~ Sanctioned
by Govt. The Comptr.
will accordingly ~~requested~~
~~to~~ Submit his proposals
outline subject
at an early date

19-9-96.

17/9

Secretary

16/9/96 17/9/96.

The Comptr.

to the Govt. of Ellypore

(1)

REVENUE Gl. No. 455
1897 No. 89
16 JUL 97
GENERAL

Gen. 30]

From The Inspector of Agricultural Banks in Mysore

45

To

The Secretary to the Govt. of Mysore,
Revenue & General Depts

Dated 14th July '97
Despatched 15th
Received
General No. 28
No.
Enclosure No. 9

In reply to

SUBJECT.

Requesting approval to the forms of accounts prescribed for the Agricultural Banks.

References (to be entered only in the Dewan's Office).

A 91.5

Rev 16.7.97

Secretary
Submitted for orders with slight alterations in forms Nos 2, 7 & 9.
H
29/7/97
29/7/97

I think Mr Barrow's suggestions as regards the forms of Registers to be read - Let me see his report - 9
30-7-97
H
30/7/97

3/3 N.)
Submitted as directed.
4/8
H
6/8/97
6/8/97 Please see Mr Barrow's report on the Agricultl Bank at Palhalli - 2d sheet
H
6/8/97

Affirmed as per Memorandum put up.
9/8/97

2.17

Office of the Inspector of
Agricultural Banks in Mysore
Dated Bangalore 14th July 1914

From

The Inspector of Agricultural
Banks in Mysore

To

The Secretary to the
Government of Mysore
Revenue & General Departments

Sir

I have been noticed during my inspection that there is no system observed in the accounts maintained in the Agricultural Banks established in the Province and that in some instances even the Cash Book does not contain the required information. I have therefore thought it desirable as per para 7 of the Articles of Association to prescribe the marginally noted forms of accounts to suit the present requirements. If these meet with your approval, I beg to request you to kindly instruct the Superintendent, Government Printing, to supply me with 100 printed

Copies

1. Register of Members
2. Register of applications for loans with the purpose thereof
3. Cash Book
4. Ledger
5. Minute Book
6. Half yearly Cash Balance Statement
7. Register of property owned by the members
8. Monthly Cash Abstract Book
9. Register of documents held in the Bank

copies of each of the forms for distribution

2 I may add that if these forms are adopted in all the Banks, they will secure uniformity and facilitate checking during inspection

I have the honor to be,
Sir,
Your most obedient Servant.

[signature]
Inspector of Agricultural
Banks in Mysore

Gen. 30] (2)

2987

1897 K 198 475

From The Inspector of Agricultural Banks in Mysore

To

The Secretary to the Govt. of Mysore,
Revenue and General Dept.

Dated 23rd October 1897

Despatched 23rd

Received

General No. 122

No.

Enclosure No.

In reply to

SUBJECT.

Submitting for approval a specimen copy of the revised Form of the Cash Balance Sheet to be used by the Agricultural Banks.

References (to be entered only in the Dewan's Office).

Rw 26/10/97

No: 122
En 1

Office of the Inspector of Agricultural Banks in Mysore

Dated Bangalore, 23rd October 1897.

From

The Inspector of Agricultural Banks in Mysore

To

The Secretary to the Government of Mysore
Revenue and Revenue Department

Sir,

In continuation of this office No 28 dated 15-7-1897, I have the honor to forward for approval a Specimen copy of the revised Form of the Cash Balance Sheet with a few explanatory notes to be used by the Agricultural Banks and to request that you will be so good as to accord early sanction for the adoption of this and other forms submitted with the above letter for reasons given

therein

I have the honor to be
Sir
Your most obedient servant
W. Thompson
Inspector of Agricultural
Banks in Mysore
Mb

a and A & R Regn. 132

~~1897~~ (3) 1162

From

The Secretary to the
Government of Mysore
Gen. & Rev. Depts

To.

The Comptroller to the
Government of Mysore

Dated 11th November 1897

Despatched

Received

General No. 4176

H No. 416

Enclosure No. 2 & 10 forms

COMPTROLLER'S OFFICE
12 NOV 97
MYSORE

I am forwarding herewith the marginally noted letters (to be obligingly returned) from the Inspector, Agricultural Banks, submitting certain draft forms to be adopted by Agricultural Banks on keeping accounts &c. has the honor to request that the Comptroller will be so good as to favor the Government

To Secretary
Finance
Dept

Letter No. 28 dated 14 July 97 from
9 forms.
Do. 122 dated 23 October
97 with 1 form

Submitted with a report and the Statement showing the Mortgages considered necessary

Replied to - vide letter
No Cpt & 1576. dt 23-2-98 to the
Secy to Govt of Mysore
Genl & Rev Depts

with his opinion as
regards their suitability

By Order

For Secretary

Comptd.

(3)

Draft as

To

The Comptroller

No. 4176 & 11÷11-97

No. 71: 246

I am forwarding herewith forms

- with the marginally noted letters (the obligingly returned) from the Inspector, Agricultural Banks, submitting certain draft forms to be adopted by Agricultural Banks in keeping accounts &c., has the honor to request that the Comptroller will be so good as to favor the Govt with his opinion as regards their suitability

Letter No 28 of 14 7 97 with 9 forms

No 122 of 23 10 97 with 1 form

(Keys Order)

3/11/97

BO 6-11-97

(4)

5419
H 905

Gen. 30]

1897-98

From The Inspector of Agricultural Banks in Mysore

H 4

To

The Secretary to the Govt. of Mysore,
General and Revenue Depts.

Dated Camp. Kumsi 26th January '98

Despatched do —

Received

General No. 229

No.

Enclosure No. Nil

In reply to

SUBJECT.

Requesting early orders on the forms of accounts of Agricultural Banks submitted for approval.

References (to be entered only in the Dewan's Office).

Rec'd 31/1/98

Refs. probably. Completion not yet due.

Returned

Drafted 4.2.98.

Office of the Inspector of
Agricultural Banks in Mysore
Camp: Kunsi 26th January 1898

N 229

From The Inspector of Agricultural
Banks in Mysore.

To The Secretary to the Government of
Mysore General and Revenue Department
Bangalore.

Sir

I have the honor to invite your
kind attention to my No: 28 of 15th July
last submitting for approval certain
forms of accounts prescribed for use by
the Agricultural Banks and to
request the favor of early orders thereon.

I have the honor to be
Sir
Your most obedient Servant.

M Channiah
Inspector of Agricultural
Banks in Mysore

6189
&c. 649

(6)

Special Audit DEPARTMENT

1898 119

From

The Comptroller, Mysore Govt.

To

The Secretary to the Govt. of Mysore,
General and Revenue Depts.

Dated 23rd

Despatched February 1898.

Received

No. 5775

Spl Audit No. 1546. Enclosures No: 12.

SUBJECT MATTER.

Stating that the forms as now framed are defective and a few of them require the required endorsements of the check officer to show a list of accounts which do not bear such endorsements should be sent to represent the state of affairs of such Banks.

Rec'd 26/2

13

Reply

28/2

5975 Ecn 12 ½ dis
1546

Special Audit DEPARTMENT

OFFICE OF THE COMPTROLLER, MYSORE GOVT.

Bangalore, 23 February 1898

From Henry Eagles, Esq.,
~~E. S. SUDRAYER, Esq.~~,
off.g Comptroller, Mysore Govt.

To
The Secretary to the Govt. of Mysore,
General and Revenue Depts.

Sir,

With reference to your docket No: 4176-78
416 of 11 ½ November 1897 forwarding for my
opinion certain draft forms proposed by the
Inspector of Agricultural Banks for
adoption by such Banks in keeping accounts
&c &c, I have the honour to state that
after a careful perusal of the Memorandum
and Articles of Association prescribed
by Government on behalf of such Banks
I am of opinion that the forms as now
framed are defective and a few of
them require to be modified considerably

if the object in view is to have a set of accounts which, without being unnecessarily elaborate, would clearly represent the state of affairs of such Banks

2. I enclose a statement in which is entered, as clearly and concisely as possible, the proposals of the Inspector of Agricultural Banks and the modifications I consider necessary, together with my reasons for such modifications. Where these are based on the Memorandum and Articles of Association, I have quoted for reference the para numbers of the same

3 The original enclosures received with your docket under reference are herewith returned

I have the honour to be,
Sir,
Your most obedient servant

H Eagles

Off'g Comptroller.

Enc

Mysl. 00 (7)

5975

Here enter letter no 1546 dy
the 23d February 1898 from the
Comptroller to the Mysore Government
in re forms of accounts
proposed by the Inspector to be introduced into
~~introduced~~ for the Agricultural
Banks in Mysore

10

No 9444 & 30.3.98.
" R.482-97 30

In 2

—oo—

Order thereon.

Ordered that a
Copy of the above letter together
with Copy of this statement
received herewith be forwarded
to the Inspector of Agricultural
Banks in Mysore for any
further representation he may wish
to make thereon, with reference
to his letters noted on the
margin

(1)
Letter no 28 dy 14.7.97.
(2)
122 dy 23.10.97
(4)
~~" 229 dy 26.4.98~~

BO.
28/3/98
Rielly

26/3/98

Rec'd 28/3/98.

Copd.
29/3/98.